DOCUMENT RESUME

ED 379 734 EA 026 437

TITLE	Straight Talk about School Administrators.
INSTITUTION	Association of California School Administrators.
REPORT NO	ISBN-0-943397-18-9
PUB DATE	94
NOTE	12p.
AVAILABLE FROM	Association of California School Administrators, Director of Communications, 1517 L Street, Sacramento, CA 95814.
PUB TYPE	Reports - Research/Technical (143)
EDRS PRICE	MF01/PC01 Plus Postage.
DESCRIPTORS	Administrators; Budgets; *Costs; Educational Finance; Elementary Secondary Education; *Labor Economics; Labor Force; Public Schools; Resource Allocation; Salaries; *School Administration; *School District Spending; *State Norms
IDENTIFIERS	*California

ABSTRACT

In this report, the Association of California School Administrators examined some of the myths and misrepresentations about administration in California's public schools. Specifically, it examined the following five myths: (1) A lot of money that could be better spent in the classroom is being wasted on administration. (2) There are too many school administrators. (3) The number of school administrators has been growing rapidly. (4) Administrators are paid too much. (5) Administration is an unnecessary burden on the educational system. Data were derived from a public opinion survey conducted by the Field Institute, California Department of Education data, and an Educational Research Service (ERS) study. Findings indicate that California school districts devote only a small portion of their budgets to school administration; less than 5 percent of the school work force--nationwide and in California--is administrative; the number of school administrators to teachers has decreased steadily; public school administrators earn substantially less than their counterparts in private industry; and school administrators provide essential support services and programs for students and classroom instruction. In conclusion, school districts operate with very lean management structures in which only a small percentage of the school budget is directed to overhead and administration. Eleven figures and 3 tables are included. (LMI)

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STRAIGHT TALK

ABOUT SCHOOL ADMINISTRATORS

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A special report by the Association of California School Administrators

A study by the Association of California School Administrators examined the common myths associated with school administration and reached the following conclusions and findings:

- California school districts spend only about 13 percent of their funds on administration at district and site levels combined.
- Less than 6 percent of California school district budgets are spent on central and county office administration. Most school administrators are principals and vice principals at neighborhood schools.
- Ninety-four cents out of every educational dollar is directed at school sites, of which 64 cents goes to direct classroom support costs such as teacher salaries and benefits, textbooks, supplies and equipment, and support personnel like aides, counselors, psychologists and nurses. Another 30 cents goes to other site costs, including building maintenance, custodians, food service, bus transportation and the salaries of instructional personnel such as principals, vice principals, librarians, curriculum and media specialists and the school secretary.
- Less than 5 percent of the total state and national school workforce is administrative, and, as a percent of public school employees, California employs fewer administrators than the national average.
- California is the only state in the nation to mandate by law the number of administrators school districts can employ. Schools have operated within those strict administrator-teacher ratios for 20 years. During the last five years, the number of administrators to teachers has decreased steadily. In 1992, California schools employed 4,128 fewer administrators than allowed under state law.
- On average, California school districts employ only one administrator for every 12 teachers. When other school personnel are included, the average district has one administrator supervising the work of 23 school employees. Few private sector businesses operate within such a lean management structure.
- In 1985, on average there were 255 students in California for every one school administrator. By 1992, that ratio had grown to 299 students to each school administrator.
- The average school district in California has a $28 million budget, yet the average superintendent salary is only $79,000. Comparable businesses of this size compensate their chief executive officers at much higher levels. The average school in California has a $3.2 million enterprise. The average elementary principal earns just over $58,000 per year to manage all aspects of that enterprise.

The myth of "bureaucratic bloat" in American public schools is not substantiated by the facts. Yet increasingly, critics argue that administrative costs divert scarce resources away from classroom instruction. The opposite is true. School districts operate with very lean management structures in which only a small percentage of the school budget is directed to overhead and administration.

*The fact is, if every school administrator in California were fired, it would only generate enough money for a one-time 5 percent salary hike for teachers, or for reducing class size by only one pupil.**

**Source: ERS*

In today's political climate, public education faces increasing demands for public accountability, improved performance, cost containment, restructuring and reform. There is general agreement that schools must make major strides to improve student performance during this decade if California is to maintain its competitive edge and enhance its quality of life. Reform efforts are under way in almost every school district in California, and students are reaping the benefits.

But even as they work to restructure educational delivery systems, reform curriculum and maximize very limited educational resources, school administrators are often stereotyped as unnecessary, ineffective bureaucrats who strip resources from the classroom. Much of this criticism results from misinterpreting data or misunderstanding administrators' roles in and contributions to the educational process.

In this report, the Association of California School Administrators examines some of the myths and misrepresentations about administration in California's public schools.

While school administration could be streamlined and improved in some school districts, a careful review of the facts clearly indicates that California's K-12 educational system is not top-heavy with administration.

This report examines five assertions about school administrators that often appear in the news media and have taken on the status of "conventional wisdom" about education's shortcomings.

Myths About School Administration

1) A lot of money that could be better spent in the classroom is being wasted on administration.

2) There are too many school administrators.

3) The number of school administrators has been growing rapidly.

4) Administrators are paid too much.

5) Administration is an unnecessary burden on the system.

ASSERTION 1:

A lot of money that could be better spent in the classroom is wasted on school administration.

FACT:

California school districts devote only a small portion of their budgets to school administration.

Much of the confusion about school spending comes from misunderstanding the essential relationship between teachers in a classroom and the educational support system that serves them. Education is a complex, diverse enterprise requiring leadership, innovation and collaboration to achieve its goals for today's students. The "little red schoolhouse" simply doesn't exist any more in California. The student population is more diverse, faces far more social and physical obstacles to learning, and receives fewer financial resources than students of even a decade ago.

A recent public opinion survey conducted for ACSA by the Field Institute dramatically revealed the huge gap between public perception and reality when it comes to school administrative costs.

Nearly half of the public feels that California spends too much on school administration. About one-fourth of those surveyed think administrative spending is about right, while one-eighth of Californians feel that we spend too little to administer public schools (figure 1).

Why do people make these assumptions? Perhaps because most Californians either grossly overestimate or simply don't know how much money schools devote to administration.

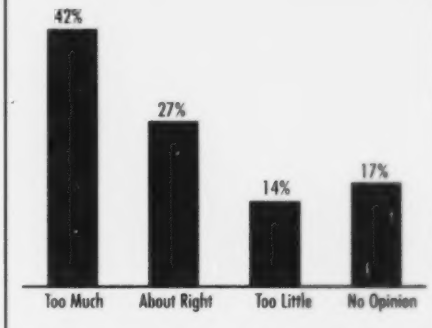
The Field Poll found that most Californians (40 percent) did not know what percent of school budgets were spent on administration. Forty-three percent said they thought schools devoted anywhere from 30 to 80 percent of their funds to administration (figure 2). The average Californian believes schools spend 39% of their budget on administration.

In reality, California public schools spend only 13 percent of their budgets on administration and overhead, a statistic only five percent of those surveyed knew. The fact that the average Californian thinks schools spend nearly three times what they actually do on management reveals a critical public misperception about education.

It also reinforces the view that schools should be able to simply reallocate existing resources to improve educational performance. The facts say otherwise.

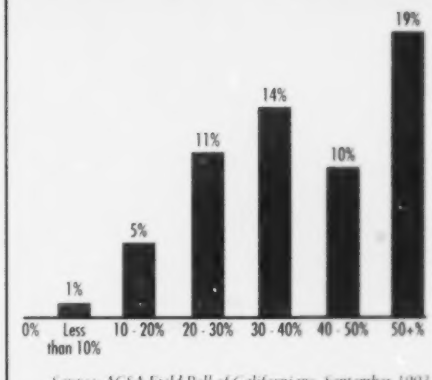
In 1991-92, according to financial reports filed with the state by California school districts (Form J-380), less than 5 percent of school budgets were spent for central office administration. More than 95 cents of every educational dollar was directed to the school site (figure 3).

1 Do schools spend too much on administration?



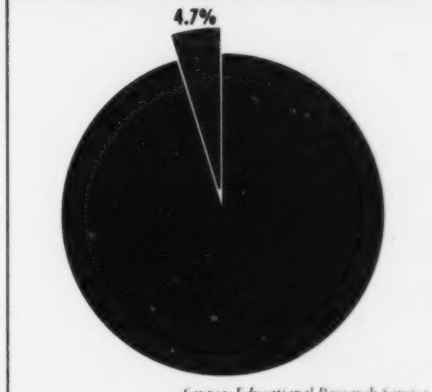
Source: ACSA Field Poll of Californians, September 1993

2 What percent of school budgets do you think are spent on administration?



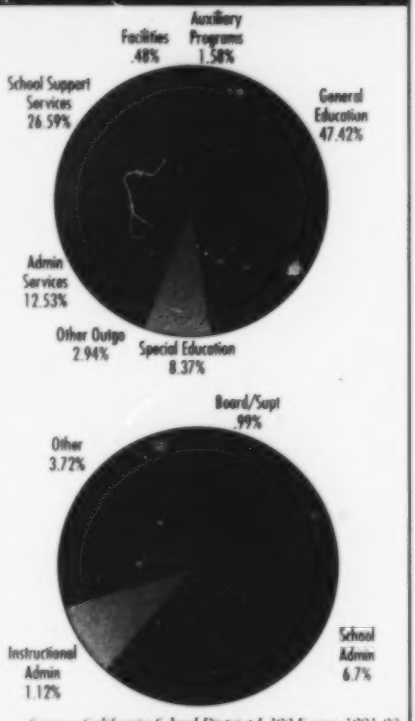
Source: ACSA Field Poll of Californians, September 1993

3 Actual percent of school budgets spent on district/central office administration



Source: Educational Research Service

4 General fund expenditures for instruction 1992-93



Source: California School District J-380 Forms 1991-92

Even if the site-based administrative costs were removed from the school site category, school districts would only be spending about 13 percent of their resources on administration and management (figures 4 and 5). In most private businesses this would be considered a lean management operation.

In the California Department of Education's most recent annual analysis of the average cost of a school in California (1990-91), 64 percent of education funding went into direct classroom costs such as textbooks, supplies, equipment, instructional aides, counselors, psychologists, nurses and teacher salaries and benefits. Another 29.7 percent was devoted to other school site costs such as building maintenance, food service, transportation, instructional support personnel (curriculum specialists, librarians, media specialists), and the salaries and benefits of the school secretary and other employees.

Drastic budget cuts during the two fiscal years since these figures were compiled have undoubtedly further reduced the level of school administration funding in most school districts. Clearly, cuts in school administration cannot produce enough resources to finance the significant educational improvements most Californians desire.

5 General fund expenditures for instruction by type and size of school district, 1991-92

	Admin Programs	General Education	Support Services at School	Special Education	Auxiliary Services	Facilities	Other Outgo
ELEMENTARY DISTRICTS							
< 1,000 ADA	14.6%	50.5%	15.1%	3.7%	2.0%	0.9%	13.2%
1,000-4,999 ADA	13.7%	48.8%	15.3%	7.4%	1.3%	0.6%	12.9%
> 5,000 ADA	12.2%	47.9%	15.0%	8.7%	1.2%	0.5%	14.6%
Grand Total	**13.1%**	**48.6%**	**15.1%**	**7.6%**	**1.3%**	**0.6%**	**13.8%**
HIGH SCHOOL DISTRICTS							
< 1,000 ADA	12.7%	46.1%	22.5%	2.7%	3.1%	0.6%	12.3%
1,000-3,999 ADA	12.0%	46.7%	22.3%	5.6%	3.0%	0.3%	10.1%
> 4,000 ADA	13.2%	45.2%	20.2%	7.3%	2.5%	0.4%	11.1%
Grand Total	**12.9%**	**45.6%**	**20.8%**	**6.7%**	**2.7%**	**0.4%**	**11.0%**
UNIFIED DISTRICTS							
< 1,500 ADA	14.3%	46.8%	19.1%	2.9%	2.7%	0.9%	13.5%
1,500-4,999 ADA	13.3%	48.8%	18.3%	6.6%	2.1%	0.3%	10.6%
5,000-9,999 ADA	13.5%	47.5%	18.2%	8.1%	1.6%	0.4%	10.7%
10,000-19,999 ADA	12.9%	48.8%	17.9%	8.1%	1.4%	0.5%	10.4%
> 20,000 ADA	11.6%	46.7%	18.3%	9.7%	1.6%	0.5%	11.6%
Grand Total	**12.3%**	**47.3%**	**18.3%**	**8.8%**	**1.6%**	**0.5%**	**11.2%**

Source: State Department of Education analysis of 1991-92 J-380 forms

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ASSERTION 2:

There are too many school administrators.

FACT:

Less than 5 percent of the school workforce — nationwide and in California — is administrative.

An analysis by the Educational Research Service (ERS) in Arlington, Va., revealed that in 1990-91, administrators made up only 4.4 percent of the nation's school workforce (figure 6). In California that same year, administrators made up only 4.2 percent of the public school workforce. In fact, over the last decade, the percentage of school funding devoted to administrative personnel has remained constant or decreased.

ERS also reported that across the nation, public schools employ fewer managers and supervisors than most public and private sector industries (figure 7).

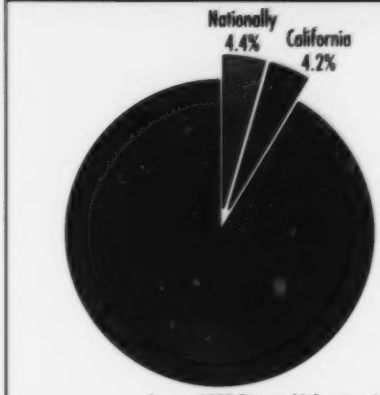
State law for nearly 20 years has prohibited California from having too many administrators in the public schools. California is the only state in the nation with a mandated maximum administrator-teacher ratio. Education is the only division of government in the state with a statutory limit on the size of its management corps. School districts are financially penalized if they exceed that ratio unless they receive a waiver from the state. Only a few school districts have ever exceeded the ratios, and most received waivers because of their small enrollments.

The state mandated ratio of administrators to teachers is 9-to-100 in elementary districts, 7-to-100 in high school districts and 8-to-100 in unified school districts (figure 8).

In 1992-93, according to reports submitted by districts to the state Department of Education, the administrator-teacher ratio was 6.82 to 100 in elementary districts, 5.30 to 100 for high schools and 6.17 administrators for every 100 teachers in unified districts. Overall, that equates to one administrator for every 12.4 teachers. When other employees are factored in, schools have a manager-to-employee ratio of 1-to-23. The facts show that school districts have complied with the intent of state law and kept their administrative operations very lean.

Even business has recognized the value of lean management. A recent survey of business executives and consultants found that lean companies were characterized by a management-to-staff ratio of 1-to-30.

6 Administrators: A small percent of the total school workforce



Source: 1992 Digest of Education Statistics

7 Schools have a management ratio leaner than industry

Source: Bureau of Labor Statistics, 1991

8 Mandated administrator teacher ratios, by type of school district

Districts	Allowed under State Law	Actual 1992-93 Levels
Elementary	9 : 100	6.82 : 100
High School	7 : 100	5.3 : 100
Unified	8 : 100	6.17 : 100

1 administrator per 12.4 teachers
1 administrator per 23.0 employees

Source: California Department of Education

ASSERTION 3:

The number of school administrators has grown rapidly.

FACT:

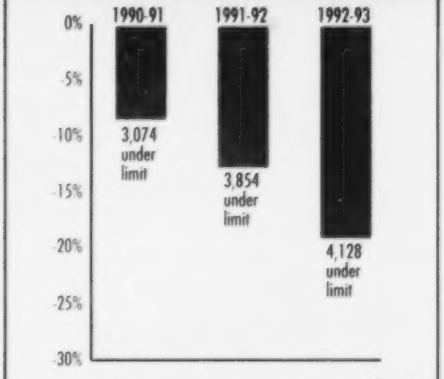
Despite skyrocketing enrollment, the number of school administrators has decreased during the last decade.

Three key measures demonstrate that this has been the case. First, according to the 1992-93 mandated administrator-teacher ratios, California schools were "entitled" to employ 17,863 administrators. In fact, districts only employed 13,735 administrators — 4,128 fewer than the mandated ceiling (figure 9).

Second, the administrator-to-pupil ratio has also grown in California in recent years. In 1985, there was one administrator for every 255 students. In 1992, that ratio was one administrator for every 299 students, and that includes anyone with a partial administrative assignment (figure 10).

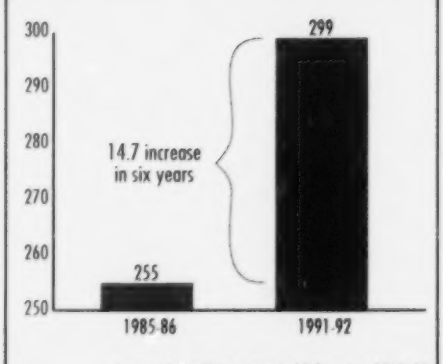
Third, the number of full-time administrators in California has decreased more than 13 percent since 1982 — despite growth in enrollment of more than 1 million students (figure 11).

9 The level of administrators is well below the state mandate — and getting lower!



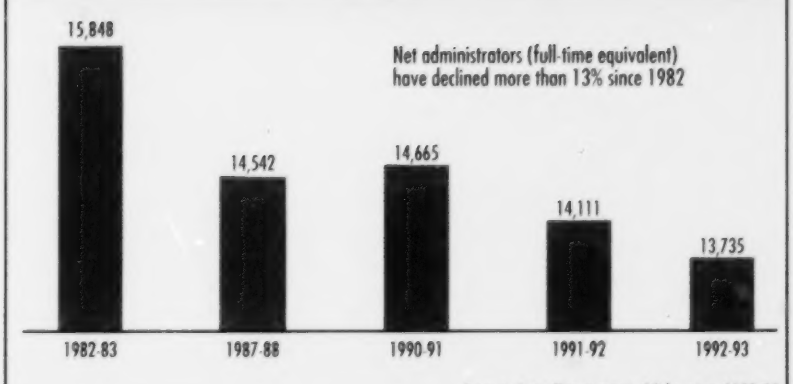
Source: State Department of Education 1992-93

10 Average number of pupils per administrator has grown



Source: State Department of Education 1992-93

11 The number of administrators in California public schools is decreasing



Source: State Department of Education 1992-93

ASSERTION 4:

School administrators are paid too much.

FACT:

Public school administrators earn substantially less than their counterparts in private industry.

Last year, the average wage increase for school employees nationwide was the lowest it has been in 20 years. For the first time in 10 years, the average wage hike failed to keep pace with the Consumer Price Index, falling 1.3 percent behind.

According to Educational Research Service, teachers' pay rose 2.1 percent, but school building administrators' salaries saw only a 1.6 percent hike. A 1992-93 survey by ERS found that California superintendents on average were paid 0.6 percent less than their colleagues nationwide. Compared to the U.S. average, high school principals earned 4 percent more, junior high principals earned 5 percent more and elementary principals earned 6.3 percent more. The average teachers' pay in California was 7 percent higher than the rest of the nation.

Are administrators paid too much to begin with? By comparison with the private sector, in terms of comparable levels of responsibility, definitely not (figure 12). The average school in California is a $3.2 million enterprise. The average elementary principal earns just over $58,000 per year to manage all aspects of that enterprise. According to the *1994 Officer Compensation Report*, in companies with annual sales between $2 million and $60 million, the CEOs' base salaries grew by an average of 5.5 percent (figure 13).

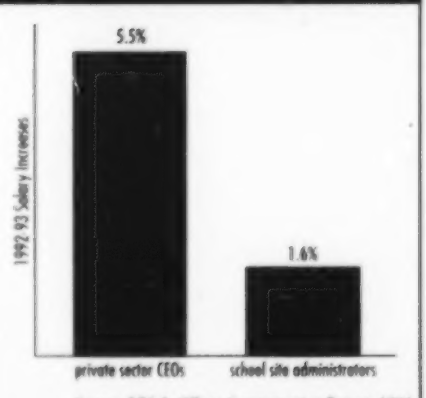
The average school district in California has a $28 million budget, yet the average superintendent salary is less than $80,000. Comparable businesses of this size compensate their chief executive officers at much higher levels.

12 School administrators: Making less than business managers

CEO of Small Electronics Company	$120,000
Corporate Attorney	$66,200 – 91,200
Public Relations Representative	$52,500 – 79,400
Telecommunications Analyst	$56,700 – 79,500
Financial Analyst	$52,800 – 78,000
Human Resources Generalist	$55,900 – 74,500
Industrial Hygienist	$52,100 – 73,500
Market Research Analyst	$56,400 – 70,700
Accounting Manager	$54,600 – 69,300
Pharmacist	$56,900 – 69,900
Computer Systems Analyst	$51,600 – 68,600
Public Utility Plant Manager	$56,000 – 75,000
Average salary of a California Elementary School Principal	$58,542
Average salary of a California School Superintendent	$79,550

Source: U.S. News & World Report Regional Salary Survey, 1992 & ERS Salaries and Wages Survey

13 Administrator salaries are losing ground



Source: ERS & Officer Compensation Report, 1994

Most administrators work at neighborhood schools. Without administrators to perform vital support services, the educational system could not function effectively. Bills couldn't be paid, plans couldn't be implemented, students couldn't be served and improvements couldn't be achieved.

ASSERTION 5:

Administration is an unnecessary burden on the educational system.

FACT:

School administrators provide essential support services and programs for students and classroom instruction.

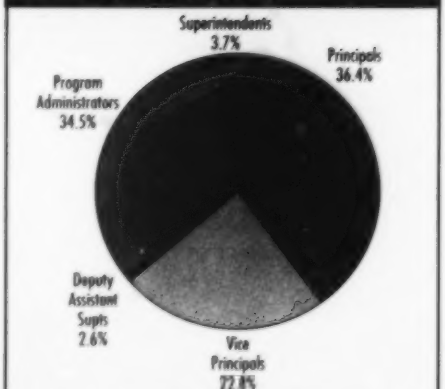
Who are California's school administrators?

Administrators are not faceless paper-pushing bureaucrats removed from the daily learning environment. More than 60 percent are the principals and vice principals of local neighborhood schools. They are the educational leaders we see each day working directly with teachers, students, parents, school staff and the community to make education work in California (figure 14).

Another 33 percent of California's administrators manage the essential programs and services that support students and classroom teaching. These administrators perform important tasks such as:

- Developing and implementing the curriculum.
- Selecting textbooks and instructional materials.
- Recruiting, training and evaluating classified and certificated staff members.
- Implementing strategic planning and evaluation.
- Managing the budget and monitoring cost controls.
- Maintaining community relations, including parent and business relations.
- Implementing school board policies and complying with federal, state and local regulations and laws.
- Planning facilities and supervising maintenance.
- Governmental relations with federal, state and local agencies and the California Legislature.
- Providing social service programs to students and their families to address problems and issues that can affect the quality of education for millions of students (i.e., gang violence, drug prevention, child nutrition, child abuse, dropout prevention, AIDS education, health education, desegregation, migrant education, busing, immigration, homelessness, etc.)

14 Breakdown of school administrators in California, 1990-91



Source: CBEDS Annual Ethnicity/Gender Report 1992-93

The fact is, as school districts have fought to keep budget cuts away from the classroom, essential administrative services have been reduced or eliminated.

For the last decade, a myth has been perpetuated that public schools are wasting valuable funds on unnecessary levels of educational bureaucracy. These myths are based on misperceptions about the role of school administration in today's schools and outright misrepresentation of the facts. They have taken on the form of conventional wisdom and are used continually to criticize the public schools.

To achieve the educational improvements being set as national, state and local priorities, educational leadership must be supported and enhanced. Public awareness about the essential role school administrators play in leading our schools is an important first step. Arguments over the myth of administrative waste divert California's attention away from the real issue confronting education: How can we create the world-class educational system our students deserve given the incredible societal and financial demands being placed on our schools?

It's time to stop searching for scapegoats and start listening to a little straight talk about school administrators.

Association of California School Administrators

ACSA is the 14,000-member professional organization representing the superintendents, principals, administrators and classified educational leaders in California's public schools. For further information regarding the association or to obtain additional copies of this publication contact:

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ISBN 0-943397-18-9